

Dear Orange Village Resident:

It is a pleasure to provide the following financial report. It has remained a priority of this administration to communicate openly and consistently, with Village residents about our financial status and we are committed to transparency of our municipal finances. The information provided offers current Village fund balances.

I want to thank Village Council and all of our department heads for their commitment to fiscal responsibility and conservative budgeting. This has allowed us to remain in sound fiscal condition.

I encourage you to review the information and feel free to contact my office with any questions you may have.

Sincerely,

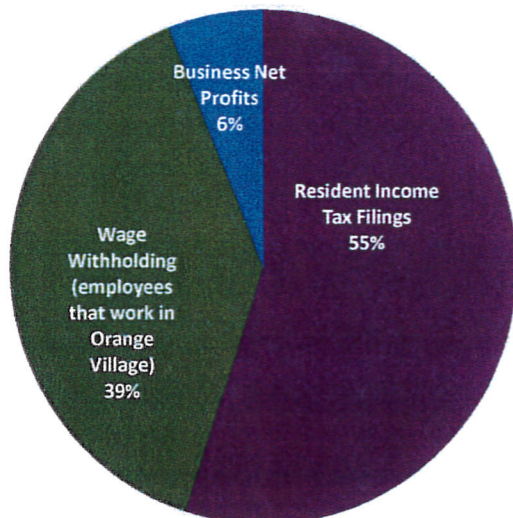


Kathy U. Mulcahy
Mayor

FUND BALANCE

	End Balance 12/31/17	Balances 10/31/18
General Fund	\$2,340,755	\$2,400,741
Street Maintenance/Repair Fund	\$147,264	\$197,992
State Highway Improvement Fund	\$76,571	\$80,537
Law Enforcement Trust Funds	\$46,925	\$39,933
Police Computer and Training Funds	\$14,935	\$14,072
Debt Service Fund	\$281,424	\$654,971
Capital Improvement Fund	\$33,661	\$5,265,907*
Capital Equipment Fund	\$303,212	\$274,919
Recreation Capital Improvement Fund	\$21,550	\$79,493
Infrastructure Levy Fund	\$175,153	\$836,057
Police Pension Fund	\$17,898	\$62,681
Trust and Agency Funds	\$321,788	\$543,609
TOTALS	\$3,781,136	\$10,450,912

* This increase is due to the receipt of \$5,000,000 for the recreational trails.



Sources of Municipal Income Taxes Received in 2017 = \$4,148,310

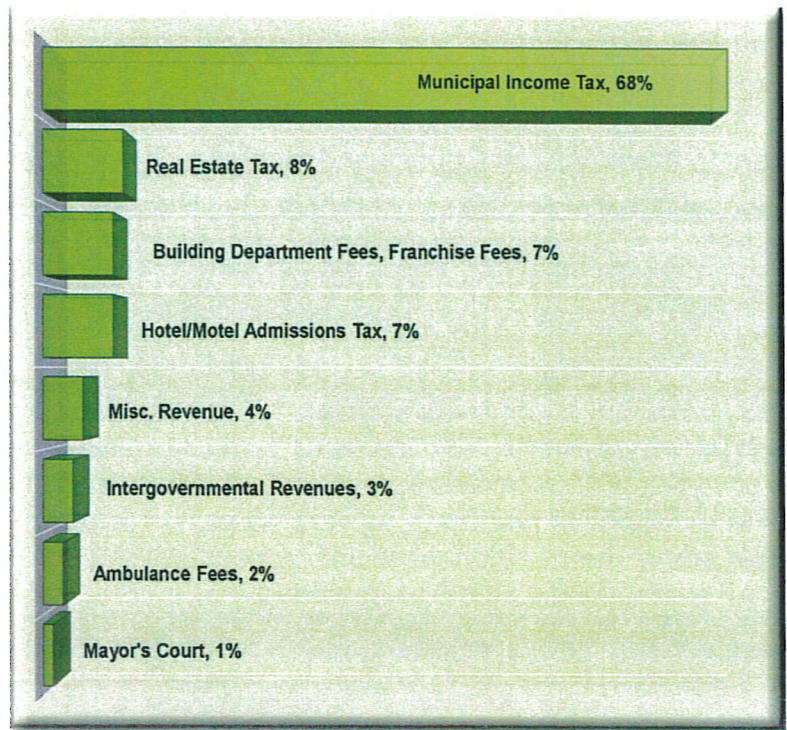
55% - Residential Income Tax Filings

39% - Wage Withholding (from people who work in Orange Village)

6% - Business Net Profits

2017 TOTAL GENERAL FUND REVENUES

Income tax collections are the Village's primary source of revenue for all essential services. Every department within the Village relies on income tax collections for a major portion of their funding. Orange Village collects a 2.0% income tax on earned income within the Village which is applied to gross salaries, wages, personal services, compensation and net income of for-profit organizations that conduct business in Orange Village. Orange Village residents are generally required to pay income taxes on income they earn outside the Village, but are given a 60% credit for income taxes paid to the municipality(s) in which they work up to a limit of 1.5%.



2017 TOTAL GENERAL FUND EXPENDITURES

GENERAL FUND

EXPENDITURES BY CATEGORY 2017

Wages and Benefits, 63%

Operating Services, 16%

Capital Equipment, 8%

Utilities/Communications, 5%

Trash/Recycling, 3%

Tax Collection Expense, 3%

Professional Services, 2%

GENERAL FUND

EXPENDITURES BY DEPARTMENT 2017

Police Department, 31%

**Administration* &
Council, 21%**

Fire Department, 14%

Service Department, 13%

Capital Equipment & Improvements, 8%

Buildings & Land, 6%

Building Department, 4%

Trash/Recycling, 3%

*Administration includes: Treasurer's Office, Mayor's Office, Engineer, I. T., Law Department, Audit and Tax Collection Expenses and Property Insurance

Distribution of Orange Village Property Tax

A fundamental difference between Orange Village and the Orange School District is the main funding source used by each entity for operating purposes. Orange Village relies primarily on income tax revenues. Orange Schools rely mostly on property taxes. However, property taxes are still a vital component of Orange Village's funding sources.

Property tax in Orange Village is based on the county-assessed value of all parcels of land within each taxing district. The assessment of value is administered by the Cuyahoga County Fiscal Officer. The County Fiscal Officer determines an assessed value, which is 35% of the appraised market value for each parcel.

The value is updated every three years based on the average price that surrounding or similar properties sold for within the previous three-year period. Every six years, the County Auditor revisits all properties to re-appraise the value of each piece of land based on any building additions or major improvements. The last re-appraisal of property values occurred in 2018.

DISTRIBUTION OF YOUR REAL ESTATE TAX DOLLARS PAID IN 2017

Real estate tax collected by Orange Village and placed into the General Fund in 2017
\$465,522.30.

Orange Community School District
64%

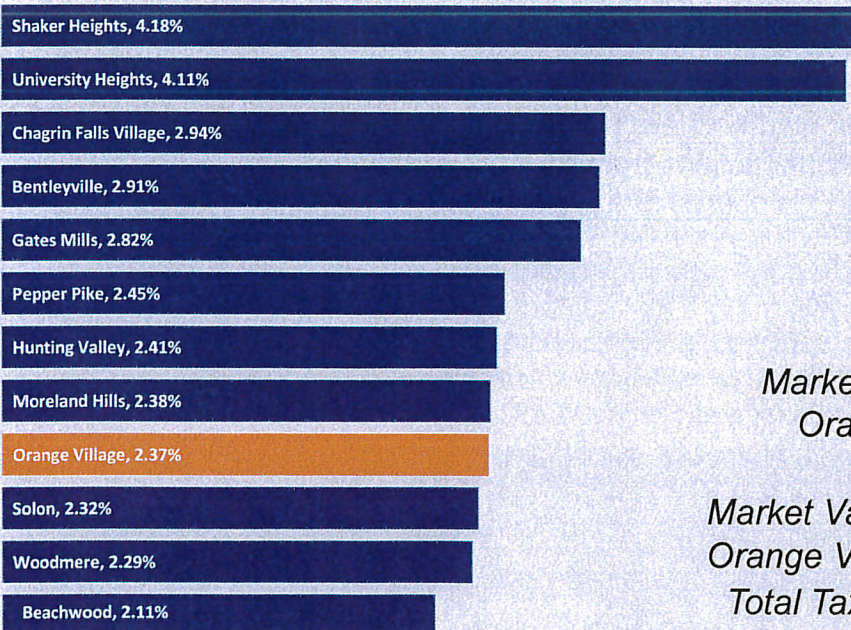
Cuyahoga County
25%

Orange Village
8%

Library
3%



COMPARISON OF RESIDENTIAL TAX RATES Calculated as a % of market value



An Orange Village homeowner will pay 2.37% of the market or appraised value of their home for property taxes. The property tax is calculated by multiplying the market value of the property by the tax rate.

$$\begin{aligned} \text{Market Value of Property} &= \$300,000 \\ \text{Orange Village Tax Rate} &= 2.37\% \end{aligned}$$

$$\begin{array}{r} \text{Market Value of Property} \quad \$300,000 \\ \text{Orange Village Tax Rate} \quad \times 2.37\% \\ \hline \text{Total Tax Due for 2017} \quad \$7,110. \end{array}$$